



Invesco Core Bond Portfolio

Quarterly Performance Commentary

CUSIPS: A:76223R101 C:76223R200 I:76223R309

Investment objective

The portfolio seeks total return.

Portfolio management

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Management is that of the underlying fund.

Portfolio information

Tickers	A:INEEX C:INEFX I:INEHX
Total net assets	\$4,450,870
Total number of holdings	1494
Holdings shown are that of the underlying fund.	

Holdings statistics

"Weighted Average Effective Maturity (years)"	9.90
Data shown is that of the underlying fund.	

Investment categories (%)

Securitized Debt	49.1
MBS	37.2
ABS	9.3
CMBS	2.6
Corporate Bonds	29
US Investment Grade Bonds	27.9
US High Yield Bonds	1.1
Government Bonds	17.3
US Treasuries	17.3
Non-US Debt	9.1
Non-US Investment Grade Bonds	8.1
Non-US High Yield Bonds	0.3
Sovereign Debt	0.3
Emerging Markets Debt	0.3
Municipal Bonds	0.1
Convertible Bonds	0
Cash and Cash equivalent	-4.9

Data shown is that of the underlying fund. May not equal 100% due to rounding.

Portfolio commentary provided is based on the underlying fund.

Not a deposit; Not FDIC insured; Not guaranteed by the bank; May lose value; Not insured by any federal agency

Market overview

- Global economic outlooks shifted markedly in the first quarter. Positive outlooks after the November election were challenged by Trump administration policies on immigration, spending cuts and tariffs, lowering US and global growth forecasts. The velocity of tariff announcements and reversals, along with broader policy uncertainty, has heightened anxiety, provoking market corrections and sell-offs. Dampened business sentiment and weakening consumption are both unfavorable for growth.
- Yields generally fell during the quarter. At February's meeting, the US Federal Reserve (Fed) paused rate cutting and held monetary policy steady, citing the possibility that the tariff impact on consumer prices might be "transitory." The Fed's projections, detailed by its dot plot, reflected lower growth expectations and higher expectations for inflation and unemployment.
- Nevertheless, we maintain a constructive outlook for bonds. Potentially slower, though still positive, global growth and uncertainty about aggressive US policy changes, in our view, generally support bonds globally. The Trump administration has stated its intent to contain government spending and lower bond yields. There is room for yields to decline if economic momentum slows sharply, and bonds should, in our view, benefit if recession fears grow.

Performance highlights

- The portfolio's Class A units at net asset value (NAV) had a positive return for the quarter but underperformed its benchmark, the Bloomberg US Aggregate Bond Index. (Please see the investment results table on page 2 for portfolio and index performance.)

Contributors to performance

- **Security selection:** The portfolio benefited from security selection in the insurance and consumer non-cyclical sub-sectors.
- **Sector allocation:** Overweights within the banking sub-sector added to absolute return.
- **Securitized assets:** An overweight in Agency mortgages positively affected results.

Detractors from performance

- **Security selection:** Security selection in securitized credit negatively affected relative return.
- **Sector allocation:** An overweight in investment grade credit negatively affected relative return.

Positioning and outlook

- Although we still favored investment grade corporates, we decreased the overweight during the quarter because we believe near-term uncertainty warrants a more neutral allocation. Yield spreads between Treasuries and investment grade credit have widened, breaking out of the decade-high tightness of 2024 due to the elevated risk environment. Despite recent widening of yield spreads, the credit quality of the US Investment Grade Credit Index has further improved, and overall duration has decreased from highs in 2021. Based on the segment's health, we believe investment grade corporates remain attractive on a risk-adjusted basis. In our view, corporate fundamentals remain firm, the yield backdrop appears attractive, and a lower average dollar price of bonds across the index presents discounted buying opportunities, potentially enhancing downside mitigation for bondholders.
- We believe investment grade corporates should perform well in our base case of an economic soft landing or in a recession scenario. In a soft landing, interest rates would come down more slowly and investors would continue to earn higher yields for longer. In a recession, the Fed would likely cut rates faster thus accelerating bond returns via duration exposure. We also believe there is significant cash on the sidelines or in money markets. As policy becomes clearer, we believe cash could flow into bond markets, boosting demand.
- Within the investment grade corporate segment, we maintained an overweight in financials, particularly in the banking sector. We ended the quarter with overweights across structured debt, having increased allocations to Agency mortgages and asset-backed securities (ABS).
- Due to market volatility and uncertainty, we increased the allocation to US Treasuries. We kept duration fairly neutral compared to the benchmark, lengthening it due to potential slowing of US growth and as a hedge to credit risk.

Investment results						
Average annual total returns (%) as of March 31, 2025						
	Class A units		Class C units		Class I units	Style-Specific Index
	Inception: 10/22/21 Max Load 3.50%	NAV	Inception: 10/22/21 Max CDSC 1.00%	NAV	Inception: 10/22/21 NAV	Bloomberg U.S. Aggregate Bond Index
Period						
Inception	-2.80	-1.63	-2.37	-2.37	-2.03	-
3 Years	-1.20	0.14	-0.61	-0.61	0.43	0.52
1 Year	0.53	4.77	2.95	3.95	5.07	4.88
Quarter	-1.87	2.27	1.22	2.22	2.42	2.78

The performance quoted is past performance and is not a guarantee of future results. Investment returns and principal value of an investment will fluctuate so that an account owner's units, when redeemed, may be worth more or less than their original cost. Current performance may be higher or lower than the performance data shown. For up-to-date month-end performance information please call 877 615 4116, or visit collegebound529.com. Performance figures reflect reinvested distributions of the underlying security and changes in net asset value (NAV). No contingent deferred sales charge (CDSC) will be imposed on redemptions of Class C units following one year from the date units were purchased. Performance shown at NAV does not include applicable CDSC or front-end sales charges, which would have reduced the performance. Class I units have no sales charge; therefore, performance is at NAV. Returns less than one year are cumulative; all others are annualized. Index returns do not reflect any fees, expenses, or sales charges.

Credit quality breakdown (% of total)	
AAA	15.16
AA	51.63
A	17.48
BBB	18.79
BB	1.46
B	0.00
CCC and below	0.06
Not rated	0.31
Cash and Cash equivalent	-4.91

Data shown is that of the underlying fund.

Ratings source: Standard & Poor's, Moody's or Fitch, as applicable. A credit rating is an assessment provided by a nationally recognized statistical rating organization (NRSRO) of the creditworthiness of an issuer with respect to debt obligations, including specific securities, money market instruments or other debts. Ratings are measured on a scale that generally ranges from AAA (highest) to D (lowest); ratings are subject to change without notice. If securities are rated differently by the rating agencies, the higher rating is applied. Not Rated indicates the debtor was not rated and should not be interpreted as indicating low quality. A negative in Cash indicates fund activity that has accrued or is pending settlement. For more information on the rating methodology, please visit www.standardandpoors.com and select 'Understanding Ratings' under Rating Resources on the homepage; www.moodys.com and select 'Rating Methodologies' under Research and Ratings on the homepage; www.fitchratings.com and select 'Ratings Definitions' on the homepage.

Expense ratios (%)	
Class A units	0.83
Class C units	1.58
Class I units	0.58
Total annual asset-based fee per the current Program Description.	

For more information you can visit us at collegebound529.com

Class I units are available only to certain investors. See the Program Description for more information.

The Bloomberg U.S. Aggregate Bond Index is an unmanaged index considered representative of the US investment-grade, fixed-rate bond market. An investment cannot be made directly in an index.

Effective duration is a modified duration calculation which incorporates the expected duration-shortening effect of an issuer's embedded call provision. **Weighted average effective maturity (WAM)** is a measure, as estimated by the underlying fund's portfolio managers, of the length of time the average security in a bond fund will mature or be redeemed by its issuer. It takes into account mortgage prepayments, puts, adjustable coupons and potential call dates.

About risk

Risks of the Underlying Holding

An issuer may be unable to meet interest and/or principal payments, thereby causing its instruments to decrease in value and lowering the issuer's credit rating.

Derivatives may be more volatile and less liquid than traditional investments and are subject to market, interest rate, credit, leverage, counterparty and management risks. An investment in a derivative could lose more than the cash amount invested.

Fixed-income investments are subject to credit risk of the issuer and the effects of changing interest rates. Interest rate risk refers to the risk that bond prices generally fall as interest rates rise and vice versa. An

issuer may be unable to meet interest and/or principal payments, thereby causing its instruments to decrease in value and lowering the issuer's credit rating.

The risks of investing in securities of foreign issuers, including emerging markets, can include fluctuations in foreign currencies, political and economic instability, and foreign taxation issues.

Obligations issued by US Government agencies and instrumentalities may receive varying levels of support from the government, which could affect the fund's ability to recover should they default.

Junk bonds involve a greater risk of default or price changes due to changes in the issuer's credit quality.

The values of junk bonds fluctuate more than those of high quality bonds and can decline significantly over short time periods.

Mortgage- and asset-backed securities are subject to prepayment or call risk, which is the risk that the borrower's payments may be received earlier or later than expected due to changes in prepayment rates on underlying loans. Securities may be prepaid at a price less than the original purchase value.

The portfolio is subject to certain other risks. Please see the current Program Description for more information regarding the risks associated with an investment in the portfolio.

Before you invest, consider whether your or the beneficiary's home state offers any state tax or other state benefits such as financial aid, scholarship funds, and protection from creditors that are only available for investments in that state's qualified tuition program.

For more information about CollegeBound 529, contact your financial advisor, call 877-615-4116, or visit www.collegebound529.com to obtain a Program Description, which includes investment objectives, risks, charges, expenses, and other important information; read and consider it carefully before investing. Invesco Distributors, Inc. is the distributor of CollegeBound 529.

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